



CITY OF DURHAM | NORTH CAROLINA

Date: November 22, 2011

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Reginald J. Johnson, Interim Director
Department of Community Development
Subject: Community Development Block Grant (CDBG)
Contract between the City of Durham and Durham
County Habitat for Humanity for the Urgent Repair
and World Changers Programs

Executive Summary

On May 2, 2011, City Council approved the FY 2011-2012 Annual Action Plan for the use of CDBG, HOME and ESG Funds. The FY 2011-2012 Annual Action Plan included a grant of CDBG funds in the amount of \$150,000.00 to Durham County Habitat for Humanity (Habitat) for the operation of an urgent repair program and the World Changers program.

The urgent repair program is available to low to moderate income elderly or disabled owner occupants on a city-wide basis whose income is at or below 80% of the area median income, with preference given to those applicants whose income is at or below 50% of the area median income. The program has a \$10,000.00 per unit maximum. Total reimbursement to Habitat will not exceed \$85,000.00 plus a service delivery fee of \$15,000.00.

The World Changers program will employ volunteers and others to perform minor repairs to residential units in the City for elderly or disabled homeowners whose income is at or below 80% of area median income, with priority given to those applicants whose income is at or below 50% of the area median income. The program has a

\$3,000.00 per unit maximum. Total reimbursement to Habitat will not exceed \$42,500.00 plus a service delivery fee of \$7,500.00.

Recommendation

The Department of Community Development recommends that City Council authorize the expenditure of up to \$150,000.00 in FY 11-12 CDBG funds and to authorize the City Manager to execute a CDBG contract with Durham County Habitat for Humanity in the amount of \$150,000.00 to administer the Urgent Repair and World Changers programs and to modify the Contract and other related documents prior to execution, provided that the modifications do not increase the dollar amount of the Contract and do not lessen the obligations of Habitat.

Background

The Urgent Repair Program has been available to low to moderate income elderly persons who are owner-occupants. The program has successfully repaired roofs, installed new plumbing lines, completed bathroom upgrades, HVAC replacement and minor structural repairs. Improvements are limited to conditions which pose an imminent threat to the health or safety of the occupants or to accessibility or other handicap modifications to enable residents to remain in the home and avoid institutionalization.

Given the success of the World Changers program over the past several years, Durham has once again been chosen as a location where Yates Baptist Church and World Changers will partner with Habitat to spend a week performing repairs for elderly, disabled homeowners using volunteer labor.

Issues/Analysis

The revitalization of Durham's central city neighborhoods was a specific priority of the Five-Year Consolidated Plan. Habitat intends to conduct the Urgent Repair Program and the World Changers program to assist elderly and disabled homeowners to allow residents to remain in their homes.

Alternatives

The City Council may elect to not provide funding for this project. It should be noted however, that there are no alternative funding sources. If the project does not receive CDBG funding, an urgent repair program and a World Changers program will not be available to low to moderate income elderly and disabled Durham residents.

Financial Impacts

CDBG funds from the FY 11-12 allocation in the amount of \$150,000.00 are budgeted and available for this project. There will not be any impact on the City's General Fund.

SDBE Summary

SDBE goals are not applicable to this contract.